

REMARKS

Claims 1-52 are pending in this application with claims 1, 12, 16, 22, 30, 34, 38, 45, 47, 48 and 49 being independent. Claims 12, 16, 31-33, 35-37, 39-41, 43 and 44 have been amended herein to correct minor clerical errors and to recite the invention further.

Request for Withdrawal of Finality of the June 2, 2005 Office Action and Entry of this Amendment

The finality of the June 2, 2005 Office Action should be withdrawn and this amendment should be entered. The rejection in the outstanding Office Action under 35 U.S.C. § 101 is a new ground of rejection NOT necessitated by changes to the claims. MPEP § 706.07(a). Claims 38-44 were NOT rejected under 35 U.S.C. § 101 in the August 26, 2004 Office Action. Although minor changes were made to claims 38 and 42 in the Amendment filed January 25, 2005, the minor changes did not alter the form of these claims. The Office Action dated August 26, 2004 makes clear that the Patent and Trademark Office considered claims 38-44 to represent statutory subject matter. The Patent and Trademark Office has apparently (and wrongly, see below) changed its mind. Applicants deserve an opportunity to respond to the new rejection on a "before final" basis.

Accordingly withdrawal of the finality of the June 2, 2005 Office Action is requested.

Entry of this amendment is further proper even under 37 C.F.R. § 1.116 as the amendments: (a) place the application in condition for allowance for the reasons discussed herein; (b) do not raise any new issues that would require further consideration and/or search as the amendments merely amplify issues discussed throughout the prosecution; (c) do not present any additional claims without canceling a corresponding number of claims; and (d) place the application in better form for appeal, should an appeal be necessary. The amendments are necessary and were not earlier presented as they are in response to arguments raised in the final rejection. Entry of the Amendment is respectfully requested.

Claim Rejections – 35 USC § 101

Claims 38-41 and 42-44 were rejected under 35 U.S.C. § 101. Applicant respectfully traverses this rejection for at least the following reasons.

The Examiner contends that, in view of the specification (page 18, line 7), the storage medium is not limited to tangible embodiments. The Examiner contends that the storage

medium is defined in the specification as including both tangible embodiments (RAMs, EPROMs, EEPROMs) and intangible embodiments (e.g., a carrier wave such as an electronic signal transferred). Applicant respectfully disagrees.

Claim 38 recites, *inter-alia*, “A processor readable storage medium having processor readable program code such that, when executed by a processor in a data processing apparatus, performs a method...” Claim 38 clearly requires a storage medium. The storage medium must be readable by a processor. The storage medium must have processor readable storage code. Thus, claim 38 clearly recites tangible subject matter and as such should not be regarded as non-statutory. Claim 38 is precisely the same form of claim approved by the Federal Circuit in 1995 In re Beauregard, App. No. 95-1054, U.S. App-Lexis 10565 (Fed. Cir. May 12, 1995). See also In re Lowry, 32 F.3d 1579 (Fed. Cir. 1994). See also pages 29 and 30 of the attached “35 U.S.C. § 101 Training Materials,” available on the USPTO website. Therefore, Applicant respectfully submits that the subject matter claimed in claim 38 complies with the statutory invention requirements of 35 U.S.C. § 101.

Therefore, Applicant respectfully requests that the rejection of claims 38-41 under 35 U.S.C. § 101 be withdrawn.

For at least the same reasons provided above with respect to claim 38, Applicant respectfully submits that the subject matter claimed in claims 42-44 complies with the statutory invention requirements of 35 U.S.C. § 101. Therefore, Applicant respectfully requests that the rejection of claims 42-44 under 35 U.S.C. § 101 be withdrawn.

#### Claim Rejections – 35 USC § 103

Claims 1, 2, 7-9, 12-19, 21-23, 30, 31, 33-42, 44 and 45-52 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Eldridge et al. (U.S. Patent No. 6,515,988) in view of Neukermans et al. (U.S. Patent No. 6,229,139). Claims 42-44 have been cancelled herein. Applicant respectfully traverses this rejection of the remaining claims for at least the following reasons.

Eldridge et al. discloses a portable device that receives, transmits, and processes tokens. (see field of the invention in col. 1 of Eldridge et al.) Tokens are a reference to a document or to a document service (see col. 2, lines 1-4 in Eldridge et al.). The tokens include all of the following information: the operation that is to be performed, the address of the document or the address of the system providing the document service, a parameter defining a property of a document or a service, and a security parameter (see col. 2, lines 18-

46 in Eldridge et al.). The tokens in Eldridge et al. are used in a portable device so that services can be performed on documents by transmitting tokens (including document identifiers) instead of the documents themselves. The tokens are transmitted to another device (for example a network printer) which can check security and various other parameters and modify its default operations in response to the users input (see col. 1, lines 64-67 in Eldridge et al.). The tokens which include security information are presented to secure document servers which verify signatures on tokens and examines the specified conditions associated with the token (see col. 3, lines 11-19 in Eldridge et al.).

Contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "storing the captured information in the memory of the handheld device as document data," as recited in claim 1. Eldridge et al. merely stores tokens which are document identifiers such as URLs. The tokens merely contain information necessary to access documents (document data) stored in an electronic repository at a site on the web (see, col. 1, lines 33-35 in Eldridge et al.). The tokens stored in the handheld device of Eldridge et al. are not document data and do not contain actual document data.

Moreover, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "retrieving the document data from the memory of the handheld," as recited in claim 1. Indeed, Eldridge et al. does not retrieve document data from the memory of the handheld as the actual document data in Eldridge et al. is not stored in the memory of the handheld. The document data in Eldridge et al. is stored in another machine (electronic repository) not in the handheld memory.

Furthermore, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "sending the retrieved document data from the handheld device to the data processing apparatus through the communications path for identification of the document," as recited in claim 1. Indeed, the document data in Eldridge et al. is not retrieved from the handheld. In Eldridge et al. the document data is retrieved from the electronic repository remote from the handheld. Eldridge et al. merely sends tokens which do not correspond to the document data.

In addition, as conceded in the Office Action, Eldridge et al. does not disclose, teach or suggest "providing the document and capturing the information from the document, wherein the information comprises actual data from the document," as required by claim 1. In Eldridge et al., actual data from a document is not captured but the document data is located in the electronic repository.

The Examiner contends that Neukermans et al. discloses a handheld device with attached scanner used to capture information from the document, wherein the information comprises actual data from the document. The Examiner contends it would have been obvious to one of ordinary skill in the art to modify Eldridge et al. to scan a document and generate digital data for comparison identification as taught by Neukermans et al. Applicant respectfully disagrees.

Neukermans et al. does not cure the deficiencies noted above in Eldridge et al. Neukermans et al. discloses a handheld scanner. The scanner may be externally coupled to a PDA or may be fully integrated within the PDA. The PDA can be used for storing scanned document images for immediately sorting and classifying the images and for later retrieval of the images (see col. 3, lines 50-56 in Neukermans et al.).

There is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification.

Clearly, Neukermans et al. does not disclose, teach or even suggest sending the scanned document data using the PDA to a data processing apparatus through a communications path for identification of a document. The scanned document data in Neukermans et al. is merely parsed, stored and archived. The document data in Neukermans et al. is not sent through a communication path for identification of a document.

Furthermore, as stated above, Eldridge et al. merely stores and transmits tokens which are document identifiers such as URLs. The tokens in Eldridge et al. merely contain information necessary to access documents (document data) stored in repository at a site on the web. There is no suggestion in Eldridge et al. to replace the tokens with actual document data. In fact, Eldridge et al. clearly states that “documents are effectively distributed between devices by transmission of document URLs, rather than the lengthy document itself.” (emphasis added), (see col. 1, lines 35-37 in Eldridge et al.). Consequently, Eldridge teaches away from sending document data through a communication path. Therefore, contrary to Examiner’s contention, one ordinary skill in the art would not have been motivated to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification.

Moreover, it would not have been obvious to combine Eldridge et al. and Neukermans et al. The modification of Eldridge as proposed by the PTO would destroy the apparatus of Eldridge for its intended purpose. Such a modification cannot be obvious. In re Gordon, 733

F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984). Indeed, Eldridge et al. does not store and transmit lengthy data such as documents but merely stores and transmits tokens which are document identifiers such as URLs that are used for accessing documents stored in an electronic repository. Furthermore, the tokens in Eldridge et al. include security information which is presented to secure document servers for verification of signatures on the tokens and for examining specified conditions associated with the tokens. Therefore, even if one would have modified Eldridge et al. with Neukermans et al. and replaced the tokens in Eldridge et al. with the scanned documents in Neukermans et al., which Applicant does not concede, replacing the tokens which contain security information by the scanned documents would defeat the purpose of Eldridge et al.'s device as the device in Eldridge et al. stores and transmits tokens which contains security information. Moreover, the tokens in Eldridge et al. include parameters defining a property of a document or a service and the parameters are transmitted to a remote device (for example a network printer) to control its default operations. Therefore, replacing the tokens in Eldridge et al. with the scanned documents in Neukermans et al., which Applicant does not concede, would eliminate the parameters and thus would render the device of Eldridge et al. unable to control the remote device.

Consequently, neither Eldridge et al. nor Neukermans et al., alone or in combination disclose, teach or suggest the subject matter recited in claim 1.

With respect to claim 12, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "receiving from a handheld device, document data associated with one of the reference documents, wherein the document data comprises actual data from the document," as recited in claim 12. As stated above, Eldridge et al. merely stores tokens which are document identifiers such as URLs. The tokens merely contain information necessary to access documents (document data) stored in repository at a site on the web. The tokens stored in the handheld device of Eldridge et al. are not document data and do not contain actual document data.

Furthermore, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "extracting at least a portion of the received document data as scanning data," as recited in claim 12. In Eldridge et al., data received from the handheld device are merely tokens which are document identifiers such as URLs not document data. Furthermore, Eldridge et al. does not extract at least a portion of the received data as scanning data.

Moreover, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "comparing the scanning data with the reference data," as recited in claim 12. As stated above, Eldridge et al. does not provide scanned data much less compare the scanned data with a reference data. In addition, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "selecting, when the scanning data matches at least a portion of the reference data of one of the reference documents, the one reference document as the identified document," as recited in claim 12.

In addition, as conceded in the Office Action, Eldridge et al. does not disclose, teach or suggest the capture of actual data from a document. The Examiner contends that Neukermans et al. discloses a handheld device with attached scanner used to capture information from the document, wherein the information comprises actual data from the document. The Examiner contends it would have been obvious to one of ordinary skill in the art to modify Eldridge et al. to scan a document and generate digital data for comparison identification as taught by Neukermans et al. Applicant respectfully disagrees.

Neukermans et al. does not cure the deficiencies noted above in Eldridge et al.

Moreover, there is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. Clearly, Neukermans et al. does not disclose, teach or even suggest comparing the scanned document data "using the PDA" with a reference data. As stated above, the scanned document data in Neukermans et al. is merely parsed, stored and archived. Furthermore, as stated above, there is no suggestion in Eldridge et al. to replace the tokens with actual document data. Therefore, contrary to Examiner's contention, one ordinary skill in the art would not have been motivated to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. Consequently, neither Eldridge et al. nor Neukermans et al, alone or in combination disclose, teach or suggest the subject matter recited in claim 12.

Furthermore, as noted above, it would not be obvious to combine Eldridge et al. and Neukermans et al.

With respect to claim 16, for at least the reasons provided above, Eldridge et al. does not disclose, teach or suggest "providing a plurality of reference documents, each reference document having associated reference data stored in a memory," as recited in claim 16.

Furthermore, for at least the reasons provided above, Eldridge et al. does not disclose, teach or suggest “extracting at least a portion of the captured information as scanning data,” as recited in claim 16. In addition, Eldridge et al. does not disclose, teach or suggest “retrieving the data from the memory, ...comparing the scanning data with the reference data,” as recited in claim 16. Moreover, Eldridge et al. does not disclose, teach or suggest “sending, using the address information, the selected document to the receiving address of the recipient,” as recited in claim 16. In addition, for at least the reasons provided above, Eldridge et al. does not disclose, teach or suggest “selecting, when the scanning data matches at least a portion of the reference data associated with one of the reference documents, the one reference document as the identified document,” as recited in claim 16.

Neukermans et al. fails to cure the deficiencies noted above in Eldridge et al. Neukermans et al. does not disclose, teach or suggest the subject matter recited in claim 16. Consequently, neither Eldridge et al. nor Neukermans et al., alone or in combination disclose, teach or suggest the subject matter recited in claim 16.

With respect to claim 22, for at least the reasons provide above, Eldridge et al. does not disclose, teach or suggest “storing the captured information in the memory of the handheld device,” as recited in claim 22. Furthermore, contrary to Examiner’s contention, Eldridge et al. does not disclose, teach or suggest “providing, to the handheld device, address information identifying a receiving address for the recipient,” as recited in claim 22. Eldridge et al. does not disclose, teach or suggest “storing, in the memory of the handheld device, the address information,” as recited in claim 22. Eldridge et al. does not disclose, teach or suggest “sending the captured information and the address information from the handheld device to the data processing apparatus via the communications path,” as recited in claim 22. Eldridge et al. does not disclose, teach or suggest “receiving, by the data processing apparatus, the captured information and the address information from the handheld device,” as recited in claim 22. Eldridge et al. does not disclose, teach or suggest “extracting at least a portion of the captured information as scanning data,” as recited in claim 22. Eldridge et al. does not disclose, teach or suggest “providing a plurality of reference documents, each reference document having reference data stored in a reference memory,” as recited in claim 22. Eldridge et al. does not disclose, teach or suggest “retrieving the reference data from the reference memory,” as recited in claim 22. Eldridge et al. does not disclose, teach or suggest “comparing the scanning data with the reference data,” as recited in claim 22. Eldridge et al.

does not disclose, teach or suggest “selecting, when the scanning data matches at least a portion of the reference data of one of the reference documents, the one reference document as the identified document,” as recited in claim 22. Furthermore, as conceded in Office Action, Eldridge et al. does not disclose teach or suggest “capturing the information from the document using the handheld device, wherein the information comprises actual data from the document,” as recited in claim 22.

The Examiner contends that Neukermans et al. discloses a handheld device with attached scanner used to capture information from the document, wherein the information comprises actual data from the document. The Examiner contends it would have been obvious to one of ordinary skill in the art to modify Eldridge et al. to scan a document and generate digital data for comparison identification as taught by Neukermans et al. Applicant respectfully disagrees.

Neukermans et al. does not cure the deficiencies noted above in Eldridge et al. Neukermans et al. merely discloses a handheld scanner. The scanner may be externally coupled to a PDA or may be fully integrated within the PDA which can be used for storing scanned document images for immediately sorting and classifying the images and for later retrieval of the images (see col. 3, lines 50-56 in Neukermans et al.).

Clearly, Neukermans et al. does not disclose, teach or even suggest sending the scanned document data using the PDA to a data processing apparatus via a communications path for identification of a document. The scanned document data in Neukermans et al. is merely parsed, stored and archived. The document data in Neukermans et al. is not sent through a communication path for identification of a document. Furthermore, there is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification.

As stated above, Eldridge et al. merely stores and transmits tokens which are document identifiers such as URLs. The tokens in Eldridge et al. merely contain information necessary to access documents (document data) stored in repository at a site on the web. There is no suggestion in Eldridge et al. to replace the tokens with actual document data. In fact, Eldridge et al. clearly states that “documents are effectively distributed between devices by transmission of document URLs, rather than the lengthy document itself.” (emphasis added), (see col. 1, lines 35-37 in Eldridge et al.). Consequently, Eldridge teaches away from sending document data through a communication path. Therefore, contrary to Examiner’s contention, one ordinary skill in the art would not have been motivated to modify Eldridge et



al. to scan a document and generate digital data which can be used for comparison identification.

Furthermore, as noted above, it would not be obvious to combine Eldridge et al. and Neukermans et al.

Consequently, neither Eldridge et al. nor Neukermans et al., alone or in combination disclose, teach or suggest the subject matter recited in claim 22.

With respect to claim 30, contrary to Examiner's contention Eldridge et al. does not disclose, teach or suggest "a processor coupled to the memory and coupled to : (i) access the reference data in a storage medium, and (ii) receive the information from the handheld device, wherein the information comprises actual data from a document, the processor capable of executing the instructions in the memory, execution of the instructions causing a plurality of steps to be performed including: extracting at least a portion of the information received from the handheld device as scanning data, comparing the scanning data with the reference data, and selecting, when the scanning data matches at least a portion of the reference data of one of the reference documents, the one reference document as the identified document," as recited in claim 30.

As stated above with respect to claim 12, in Eldridge et al., data received from the handheld device are merely tokens which are document identifiers such as URLs not document data. Eldridge et al. does not extract at least a portion of the received data as scanning data much less compare the scanned data with a reference data. Moreover, Eldridge et al. does not select the one reference document as the identified document when the scanning data matches at least a portion of the reference data of one of the reference documents.

Neukermans et al. fails to cure the deficiencies noted above in Eldridge et al. Clearly, Neukermans et al. does not disclose, teach or even suggest comparing the scanning data with the reference data, and selecting, when the scanning data matches at least a portion of the reference data of one of the reference documents, the one reference document as the identified document. The scanned document data in Neukermans et al. is merely parsed, stored and archived. The document data in Neukermans et al. is not sent through a communication path for identification of a document. Furthermore, there is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification.

As stated above, Eldridge et al. merely stores and transmits tokens which are document identifiers such as URLs. The tokens in Eldridge et al. merely contain information necessary to access documents (document data) stored in repository at a site on the web. There is no suggestion in Eldridge et al. to replace the tokens with actual document data. In fact, Eldridge et al. clearly states that “documents are effectively distributed between devices by transmission of document URLs, rather than the lengthy document itself.” (emphasis added), (see col. 1, lines 35-37 in Eldridge et al.). Consequently, Eldridge teaches away from sending document data through a communication path. Therefore, contrary to Examiner’s contention, one ordinary skill in the art would not have been motivated to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification.

Furthermore, as noted above, it would not be obvious to combine Eldridge et al. and Neukermans et al.

Consequently, neither Eldridge et al. nor Neukermans et al., alone or in combination disclose, teach or suggest the subject matter recited in claim 30.

With respect to claim 34, contrary to Examiner’s contention, Eldridge et al. does not disclose, teach or suggest “a handheld device having a memory and capable of: capturing the information from the document, wherein the information comprises actual data from the document, storing the captured information in the memory, storing, in the memory, address information identifying a receiving address for the recipient, establishing a communications path with the data processing apparatus, and sending the captured information and the address information from the handheld device to the data processing apparatus via the communications path,” as recited in claim 34. As stated above, Eldridge et al. does not capture information of a document. The Examiner contends that Neukermans et al. discloses a handheld device with attached scanner for capturing the information (actual data) from the document and thus it would have been obvious to one of ordinary skill in the art to modify Eldridge to scan a document and generate data which can be used for comparison identification. Applicant respectfully disagrees.

First of all, as stated above, the scanned document data in Neukermans et al. is merely parsed, stored and archived. The document data in Neukermans et al. is not sent through a communication path for identification of a document. Furthermore, there is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and

generate digital data which can be used for comparison identification. There is no suggestion in Eldridge et al. to replace the tokens with actual document data. In fact, Eldridge et al. clearly states that “documents are effectively distributed between devices by transmission of document URLs, rather than the lengthy document itself.” (emphasis added), (see col. 1, lines 35-37 in Eldridge et al.). Consequently, Eldridge teaches away from sending document data through a communication path. Therefore, contrary to Examiner’s contention, one ordinary skill in the art would not have been motivated to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification.

Consequently, for at least the above reasons, neither Eldridge et al. nor Neukermans et al., alone or in combination disclose, teach or suggest the subject matter recited in claim 34.

Furthermore, contrary to Examiner’s contention, Eldridge et al. does not disclose, teach or suggest “the data processing apparatus capable of: receiving the captured information and the address information from the handheld device, extracting at least a portion of the captured information as scanning data, accessing the reference data, comparing the scanning data with the reference data, selecting, when the scanning data matches at least a portion of the reference data associated with one of the reference documents, the one reference document as the identified document, establishing a communications path between the data processing apparatus and the recipient via the data network, and sending, using the address information, the selected document to the receiving address of the recipient via the communications path,” as recited in claim 34.

In Eldridge et al. the data in the handheld device is not captured data. As stated above, the tokens stored in the handheld device of Eldridge et al. are not document data and do not contain actual document data. The document data are stored in an electronic repository. Furthermore, Eldridge et al. does not extract at least a portion of the received data as scanning data. Moreover, Eldridge et al. does not provide scanned data much less compare the scanned data with a reference data. In addition, Eldridge et al. does not select the one reference document as the identified document, when the scanning data matches at least a portion of the reference data of one of the reference documents.

Neukermans et al. fails to overcome the deficiencies noted above in Eldridge et al. Consequently, neither Eldridge et al. nor Neukermans et al., alone or in combination, disclose, teach or suggest the subject matter recited in claim 34.

With respect to claims 38, as conceded in the Office Action Eldridge et al. does not disclose “extracting at least a portion of the information received from the handheld device as scanning data, wherein the information comprises actual data from a document.”

The Examiner contends, however, that Neukermans et al. discloses a handheld device with attached scanner for capturing the information (actual data) from the document and thus it would have been obvious to one of ordinary skill in the art to modify Eldridge to scan a document and generate data which can be used for comparison identification. Applicant respectfully disagrees.

First of all, as stated above, the scanned document data in Neukermans et al. is merely parsed, stored and archived. The document data in Neukermans et al. is not sent through a communication path for identification of a document. Furthermore, there is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. There is no suggestion in Eldridge et al. to replace the tokens with actual document data. In fact, Eldridge et al. clearly states that “documents are effectively distributed between devices by transmission of document URLs, rather than the lengthy document itself.” (emphasis added), (see col. 1, lines 35-37 in Eldridge et al.). Consequently, Eldridge teaches away from sending document data through a communication path. Therefore, contrary to Examiner’s contention, one ordinary skill in the art would not have been motivated to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. Furthermore, as noted above, it would not be obvious to combine Eldridge et al. and Neukermans et al. Consequently, for at least the above reasons, neither Eldridge et al. nor Neukermans et al., alone or in combination, disclose, teach or suggest the subject matter recited in claim 38.

Furthermore, contrary to Examiner’s contention, Eldridge et al. does not disclose, teach or suggest “extracting at least a portion of the information received from the handheld device as address information identifying a receiving address for the recipient,” as recited in claim 38. Eldridge et al. does not disclose, teach or suggest “comparing the scanning data with the reference data,” much less “selecting, when the scanning data matches at least a portion of the reference data of one of the reference documents, the one reference document as the identified document,” as recited in claim 38. Moreover, contrary to Examiner’s contention, Eldridge et al. does not disclose, teach or suggestion “sending, using the address information, the selected document to the receiving address of the recipient,” as recited in claim 38.

Neukermans et al. fails to cure the deficiencies noted above in Eldridge et al. Therefore, for the above additional reasons, neither Eldridge et al. nor Neukermans et al., alone or in combination, disclose, teach or suggest the subject matter recited in claim 38.

With respect to claim 45, as conceded in the Office Action, Eldridge et al. does not disclose "capturing information from the item, wherein the information comprises actual data from the item," as recited in claim 45

The Examiner contends, however, that Neukermans et al. discloses a handheld device with attached scanner for capturing the information (actual data) from the document and thus it would have been obvious to one of ordinary skill in the art to modify Eldridge et al. to scan a document and generate data which can be used for comparison identification. Applicant respectfully disagrees.

As stated above, the scanned document data in Neukermans et al. is merely parsed, stored and archived. The document data in Neukermans et al. is not sent through a communication path for identification of a document. Furthermore, there is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. There is no suggestion in Eldridge et al. to replace the tokens with actual document data. In fact, Eldridge et al. clearly states that "documents are effectively distributed between devices by transmission of document URLs, rather than the lengthy document itself." (emphasis added), (see col. 1, lines 35-37 in Eldridge et al.). Consequently, Eldridge teaches away from sending document data through a communication path. Therefore, contrary to Examiner's contention, one ordinary skill in the art would not have been motivated to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. Furthermore, as noted above, it would not be obvious to combine Eldridge et al. and Neukermans et al. Consequently, for at least the above reasons, neither Eldridge et al. nor Neukermans et al., alone or in combination, disclose, teach or suggest the subject matter recited in claim 45.

Furthermore, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "storing the captured information in the memory of the handheld device as data," as recited in claim 45. Eldridge et al. does not disclose, teach or suggest "retrieving the captured information from the memory of the handheld device," as recited in claim 45. Eldridge et al. does not disclose, teach or suggest "sending the retrieved data from the

handheld device to the data processing apparatus through the communications path for identification of the item,” as recited in claim 45.

Neukermans et al. fails to cure the deficiencies noted above in Eldridge et al. Therefore, for these additional reasons, Applicant submits that neither Eldridge et al. nor Neukermans et al, alone or in combination, disclose, teach or suggest the subject matter recited in claim 45.

With respect to claims 47, 48 and 49, as conceded in the Office Action, Eldridge et al. does not disclose “receiving, from a handheld device in communication with the data processing apparatus, information captured from an item by the handheld device, wherein the information comprises actual data from the item, and address information identifying a receiving address for the recipient,” as recited in claim 47, Eldridge et al. does not disclose “receiving, from a handheld device in communication with the data processing apparatus, information captured from a document by the handheld device, wherein the information comprises actual data from the document,” as recited in claims 48 and 49.

The Examiner contends that Neukermans et al. discloses a handheld device with attached scanner for capturing the information (actual data) from the document and thus it would have been obvious to one of ordinary skill in the art to modify Eldridge et al. to scan a document and generate data which can be used for comparison identification. Applicant respectfully disagrees.

As stated above, the scanned document data in Neukermans et al. is merely parsed, stored and archived. The document data in Neukermans et al. is not sent through a communication path for identification of a document. Furthermore, there is no suggestion in either Eldridge et al. or Neukermans et al. to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. There is no suggestion in Eldridge et al. to replace the tokens with actual document data. In fact, Eldridge et al. clearly states that “documents are effectively distributed between devices by transmission of document URLs, rather than the lengthy document itself.” (emphasis added), (see col. 1, lines 35-37 in Eldridge et al.). Consequently, Eldridge teaches away from sending document data through a communication path. Therefore, contrary to Examiner’s contention, one ordinary skill in the art would not have been motivated to modify Eldridge et al. to scan a document and generate digital data which can be used for comparison identification. Consequently, for

at least the above reasons, neither Eldridge et al. nor Neukermans et al., alone or in combination, disclose, teach or suggest the subject matter recited in claims 47, 48 and 49.

Moreover, contrary to Examiner's contention, Eldridge et al. does not disclose, teach or suggest "extracting at least a portion of the captured information as scanning data; comparing the scanning data with the reference data; selecting, when the scanning data matches at least a portion of the reference data associated with one of the reference items, the one reference item as the identified item; and sending, using the address information, the identified item to the receiving address of the recipient," as recited in claim 47. Furthermore, Eldridge et al. does not disclose, teach or suggest "providing a plurality of reference documents, each reference document having associated reference data stored in a memory; extracting at least a portion of the captured information as scanning data; comparing the scanning data with the reference data; and selecting, when the scanning data matches at least a portion of the reference data associated with one of the reference documents, the one reference document as the identified document," as recited in claim 48. Moreover, Eldridge et al. does not disclose, teach or suggest "providing a plurality of reference items, each reference item having associated reference data stored in a memory; receiving, from a handheld device in communication with the data processing apparatus, information captured from an item by the handheld device, wherein the information comprises actual data from the item; extracting at least a portion of the captured information as scanning data; comparing the scanning data with the reference data; and selecting, when the scanning data matches at least a portion of the reference data associated with one of the reference items, the one reference item as the identified item," as recited in claim 49.

Neukermans et al. fails to cure the above deficiencies noted in Eldridge et al. Consequently, for these additional reasons, Applicant submits that neither Eldridge et al. nor Neukermans et al., alone or in combination, disclose, teach or suggest the subject matter recited in claims 47-49.

Therefore, Applicant respectfully submits that claims 1, 12, 16, 22, 30, 34, 38, 45, 47, 48 and 49, and claims 2 and 7-9, 13-15, 17-19, 21, 23, 31, 33, 35-37, 39-41, 46 and 50-52 which depend from one of claims 1, 12, 16, 22, 30, 34, 38, 45, 47, 48 and 49, are patentable. Thus applicant respectfully requests that the rejection of claims 1, 2, 7-9, 12-19, 21-23, 30, 31, 33-41 and 45-52 under 35 U.S.C. § 103(a) over the combination of Eldridge et al. and Neukermans et al. be withdrawn.

Claims 3-6 and 24-27 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the combination of Eldridge et al. and Neukermans et al. and further in view of Hayakawa (U.S. Patent No. 6, 765,559). Applicant respectfully traverses this rejection for at least the following reasons.

Claims 3-6 depend, directly or indirectly, from claim 1 and claims 24-27 depend, directly or indirectly, from claim 22. For at least the reasons provided above with respect to claims 1 and 22, Applicant respectfully submits that claims 3-6 and 24-27 are patentable over the combination of Eldridge et al. and Neukermans et al.

Hayakawa fails to cure the deficiencies noted above in the combination of Eldridge et al. and Neukermans et al. Hayakawa merely discloses a page information display method and device for displaying electronic information in a unit of page which includes a page turning operation. Hayakawa does not disclose, teach or suggest, *inter-alia*, “providing the document; capturing the information from the document, wherein the information comprises actual data from the document; storing the captured information in the memory of the handheld device as document data; establishing a communications path between the handheld device and the data processing apparatus; retrieving the document data from the memory of the handheld device; and sending the retrieved document data from the handheld device to the data processing apparatus through the communications path for identification of the document,” as recited in claim 1.

Furthermore, Hayakawa does not disclose, teach or suggest, *inter-alia*, “capturing the information from the document using the handheld device, wherein the information comprises actual data from the document; storing the captured information in the memory of the handheld device; providing, to the handheld device, address information identifying a receiving address for the recipient; storing, in the memory of the handheld device, the address information; establishing a communications path between the handheld device and the data processing apparatus; sending the captured information and the address information from the handheld device to the data processing apparatus via the communications path; receiving, by the data processing apparatus, the captured information and the address information from the handheld device; extracting at least a portion of the captured information as scanning data; providing a plurality of reference documents, each reference document having reference data stored in a reference memory; retrieving the reference data from the reference memory; comparing the scanning data with the reference data; selecting, when the scanning data matches at least a portion of the reference data of one of the reference documents, the one





reference document as the identified document; and sending, using the address information, the selected document to the receiving address of the recipient,” as recited in claim 22. Consequently, for at least the above reasons, none of Eldridge et al., Neukermans et al. and Hayakawa et al., alone or in combination, disclose, teach or suggest the subject matter recited in claims 3-6 and 24-27.

Therefore, Applicant respectfully submits that claims 3-6 and 24-27 are patentable and respectfully requests that the rejection of claims 3-6 and 24-27 under § 103(a) over the combination of Eldridge et al., Neukermans et al. and Hayakawa be withdrawn.

Claims 10, 20, 28, 32 and 43 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the combination of Eldridge et al. and Neukermans et al. and further in view of Browning (U.S. Patent No. 6,707,781). Claim 43 has been cancelled herein. Applicant respectfully traverses this rejection for the remaining claims for at least the following reasons.

Claims 10, 20, 28 and 32 depend, directly or indirectly, from one of claim 1, 16, 22 and 30. For at least the reasons provided above with respect to claims 1, 16, 22 and 30, Applicant respectfully submits that claims 10, 20, 28 and 32 are patentable over the combination of Eldridge et al. and Neukermans et al.

Browning fails to cure the deficiencies noted above in the combination of Eldridge et al. and Neukermans et al. Browning merely discloses a handheld device for scanning a line information including internet email addresses, internet protocol addresses, internet URLs, DNS addresses and bar codes etc...Browning does not disclose, teach or suggest the subject matter recited in any one of claims 1, 16, 22 and 30. Consequently, none of Eldridge et al., Neukermans et al. and Browning, alone or in combination, disclose, teach or suggest the subject matter claimed in claims 10, 20, 28 and 32.

Therefore, Applicant respectfully submits that claims 10, 20, 28 and 32 are patentable and respectfully requests that the rejection of claims 10, 20, 28 and 32 under § 103(a) over the combination of Eldridge et al., Neukermans et al. and Browning be withdrawn.

Claims 11 and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the combination of Eldridge et al. and Neukermans et al. and further in view of Hochendoner (U.S. Patent No. 6,771,568). Applicant respectfully traverses this rejection for at least the following reasons.



Claims 11 and 29 depend, directly, from claim 1 and claim 22, respectively. For at least the reasons provided above with respect to claims 1 and 22, Applicant respectfully submits that claims 11 and 29 are patentable over the combination of Eldridge et al. and Neukermans et al.

Hochendoner fails to cure the deficiencies noted above in the combination of Eldridge et al. and Neukermans et al. Hochendoner merely discloses a digital audio recorder having a compact disk and a memory containing a database relating to specific CD's such as album name, artist name etc...Hochendoner does not disclose, teach or suggest the subject matter recited in any one of claims 1 and 22. Consequently, none of Eldridge et al., Neukermans et al. and Hochendoner, alone or in combination, disclose, teach or suggest the subject matter claimed in claims 11 and 29.

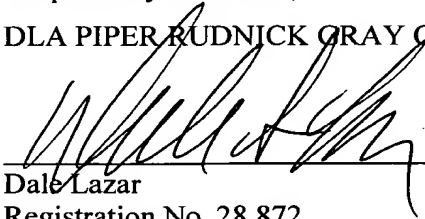
Therefore, Applicant respectfully submits that claims 11 and 29 are patentable and respectfully requests that the rejection of claims 11 and 29 under § 103(a) over the combination of Eldridge et al., Neukermans et al. and Hochendoner be withdrawn.

#### CONCLUSION

In view of the foregoing, Applicant submits that this application is now in condition for allowance. An early and favorable indication of same is kindly requested. If any point remains at issue, however, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

Respectfully submitted,

DLA PIPER RUDNICK GRAY CARY US LLP



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# 35 U.S.C. 101

# Training Materials

Presented by

Vincent Millin, Tariq Hafiz, Jim Trammell and  
Robert Olszewski



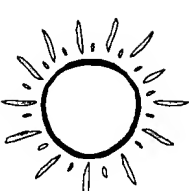
## 35 U.S.C. Section 101 reads:

*"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title."*

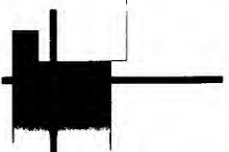


## Translation:

35 U.S.C. 101 defines statutory subject matter as “any new and useful process, machine, manufacture or composition of matter, or any new and useful improvement thereto.”



# Anything Under the Sun.....



The Supreme Court acknowledged that Congress, through legislative history, intended statutory subject matter to ***"include anything under the sun that is made by man."*** See *Diamond v. Chakrabarty*, 447 U.S. 303, 309; 206 USPQ 193, 197 (1980).

# Exceptions

Despite the apparent sweep of Section 101, the Supreme Court has specifically identified three categories of nonstatutory subject matter:

- laws of nature
- natural phenomena, and
- abstract ideas.

These are not categories of invention. See *Diamond v. Diehr*, 450 U.S. at 175, 209 USPQ 1 (1981).

# Mathematical Algorithms *per se*

Mathematical algorithms *per se*  
that stand alone and are not  
reduced to a practical application  
represent nothing more than an  
abstract idea.




# From Abstract Idea to Patentable Subject Matter





# Practical Application

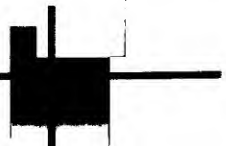
**When an abstract idea is reduced to a practical application, the abstract idea no longer stands alone if.....**



# Useful, Concrete and Tangible

....the practical application of the abstract idea produces a **useful, concrete and tangible result**. This then satisfies the requirements of 35 U.S.C. 101. *In re Alappat*, 31 USPQ 2d 1545, 1558 (Fed. Cir. 1994); *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 47 USPQ2d 1596, 1601-02 (Fed. Cir. 1998).

# State Street Bank & Trust Co. v. Signature Financial Group Inc.



## The Invention:

The patent claims recite a data processing system for implementing a hub and spoke investment structure to maximize return on investment while minimizing tax liability. The system transforms data, representing discrete dollar amounts, into a final share price using a machine (computer) that makes a series of mathematical calculations.



## State Street - The Bottom Line

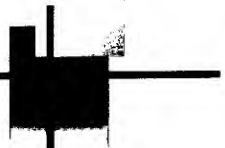
The Courts held that a machine (computer) programmed to transform data which represents discrete dollar amounts into a final share price through a series of mathematical calculations does, in fact, constitute the practical application of a mathematical algorithm, formula, or calculation because it produces "a useful, concrete and tangible result" i.e. the final share price upon which investors and their brokers can make investment decisions. See *State Street*, 149 F.3d at 1374-75, 47 USPQ 2d at 1602.



## More on State Street

A process, machine, manufacture, or composition of matter employing a law of nature, natural phenomenon, or abstract idea may be patentable subject matter even though a law of nature, natural phenomenon, or abstract idea would not, by itself, be entitled to such protection. See *State Street*.

# AT&T Corp. v. Excel Communications, Inc.



## The Invention:



The patent claims a process that uses Boolean algebra to derive a value that is used to generate a message record (PIC) of long distance telephone calls between subscribers and their call recipients, that value being used to create a signal useful for billing credit purposes when the caller and the call recipient both subscribe to the same long distance carrier.



## AT&T - The Bottom Line

The Court held that the claims constituted patentable subject matter under 35 U.S.C. 101 even though the billing value was derived using a simple Boolean mathematical principle. The Court noted that the patent does not claim the Boolean principle nor try to preclude its use in any other application, and that the “process applies the Boolean principle to produce a useful, concrete, tangible result without preempting other uses of mathematical principle.” See *AT&T Corp. V. Excel Comm. Inc.* 50 USPQ2d 1447, 1452 (Fed. Cir. 1999). The useful result is lower long distance bills when calling people who use the same long distance service provider.



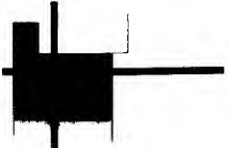


# What Does All This Mean??

An abstract idea by itself never satisfies the requirements of 35 U.S.C. 101.

However...

...an abstract idea when practically applied to produce a useful, concrete and tangible result satisfies Section 101.



# Can Have More than One Practical Application

Applicant may assert more than one practical application, but only one is necessary to satisfy the utility requirement under 35 U.S.C. 101.

# Steps carried Out in the Human Mind OK if Useful, Concrete and Tangible Result Produced

A method or process remains statutory even if some or all of the steps therein can be carried out:

- ❖ in the human mind
- ❖ with the aid of the human mind, or
- ❖ because it may be necessary for one performing the method or process to think. *In re Musgrave*, 431 F.2d 882, 893; 167 USPQ 280, 289 (CCPA 1970)

The key is that a useful, concrete and tangible result must be produced.

# The Test for Patent Eligibility

The fundamental test for patent eligibility is to determine whether the claimed invention produces a “useful, concrete and tangible result.” The test for practical application as applied by the examiner involves the determination of the following factors:



# "Useful"

The Supreme Court in *Diamond v. Diehr* requires that the examiner look at the claimed invention as a whole and compare any asserted utility with the claimed invention to determine whether the asserted utility is accomplished. Applying utility case law the examiner will note that:

- (a) the utility need not be expressly recited in the claims, rather it may be inferred;
- (b) if the utility is not asserted in the written description, then it must be well established;
- (c) a specific, substantial and credible utility must be accomplished.



## "Concrete"

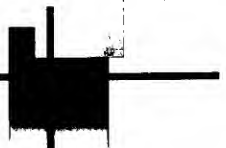
Another consideration is whether the invention produces a "concrete" result. Usually, this question arises when a result cannot be assured. An appropriate rejection under 35 U.S.C. 101 should be accompanied by a lack of enablement (35 U.S.C. 112 first paragraph) rejection, because the invention cannot operate as intended without undue experimentation.



# "Tangible"

Applying *In re Wamerdam*, 33 F.3d 1354; 31 USPQ2d 1754 (Fed. Cir. 1994), the examiner will determine whether there is simply a mathematical construct claimed, such as a disembodied data structure and method of making it. If so, the claim involves no more than a manipulation of an abstract idea and therefore, is nonstatutory under 35 U.S.C. 101. In contrast, a claimed computer-readable medium encoded with a data structure defines structural and functional interrelationships between the data structure and the computer software and hardware components which permits the data structure's functionality to be realized, and is statutory.

# Example of Useful, Concrete and Tangible



The disclosure describes a method for convening a group of people in a room and brainstorming to generate ideas for reducing the number of patent applications physically located in a particular Technology Center. After the ideas are generated, the best ideas are determined by multivoting within the group. Then, multivoting is again used to sequence the best ideas into a series of steps forming a scheme to reduce the number of applications. Finally, the steps of the scheme are implemented.





## Example (cont.)

Claim 1. A method comprising the steps of:

- (a) convening people in a room; and
- (b) brainstorming to generate a series of steps forming a scheme for reducing the number of patent applications pending in the Technology Center.



## Example (cont.)

### Analysis of claim 1:

The claim merely manipulates an abstract idea without producing a “useful, concrete and tangible result.” Claim 1 would be rejected under 35 U.S.C. § 101 as being directed to nonstatutory subject matter. C.f. *In re Schrader*, 30 USPQ2d 1455 (Fed. Cir. 1994) and *In re Wamerdam*, especially claims drawn to a method of making a disembodied data structure in *Wamerdam*.



## Example (cont.)

Claim 2. The method of claim 1, further comprising the step of:

(c) prioritizing ideas in formulating the scheme.

### Analysis of claim 2:

Claim 2 does not produce a useful, concrete and tangible result. The claim is nonstatutory.



## Example (cont.)

Claim 3. The method of Claim 1, further comprising the step of:

(c) implementing the steps of the scheme.

### Analysis of claim 3:

If the utility can be assured, then the method produces a concrete, tangible and useful result. If the result is speculative and it would require undue experimentation to produce the concrete result, claim 2 would be rejected both under 35 U.S.C. § 101 and § 112, 1<sup>st</sup> paragraph [lack of enablement].

# Functional vs. Non-Functional Descriptive Material





# Functional Descriptive Material

- *per se* is not statutory. C.f. *In re Wamerdam*, disembodied data structure claim.
- In combination with a computer readable medium so as to be capable of producing a useful, concrete and tangible result when used in a computer system is statutory i.e., a set of instructions in combination with a computer system. C.f. *In re Wamerdam* - data structure stored in a computer memory, and *In re Lowery*, 32 USPQ2d 1031 (Fed. Cir. 1994) - data structure in a computer readable medium.



## Translation:

A claim to a computer readable medium encoded with functional descriptive material that can function with a computer to effect a practical application that results in a useful, concrete an tangible result (i.e. running an assembly line or executing a stock transaction) satisfies Section 101. See U.S. Patent 5,710,578 to Beauregard et al.

# Examples of Statutory Functional Descriptive Material




- A claimed computer-readable medium encoded with a functional data structure – this defines structural and functional relationships between the data structure and the hardware/software components. See *Wamerdam*.
- A claimed computer-readable medium encoded with a computer program - this defines structural and functional relationships between the computer program and the computer itself which allows the program's functionality to be realized provided that a useful, concrete and tangible result is realized. See U.S. Patent 5,710,578 to Beauregard et al.



# Non-Functional Descriptive Material

- *per se* is not statutory i.e. abstract idea
- Not statutory even if in combination with a computer-readable medium
  - ❖ No useful, concrete or tangible result is produced

# Examples of Non-Functional Descriptive Material

- 
- Music
    - Mere arrangements of facts or data
  - Literature
    - Share price on a disk
  - Art
  - Photographs
  - Data base *per se*

These are merely stored to be read or outputted by a computer without any functional interrelationship, and thus do not impart functionality to the computer, i.e., they are not computer components.

# Examples of Non-Functional Descriptive Material *per se*



## Sample Claim 1

A warranty comprising:

a first section describing what is covered by the warranty;

A second section describing what is not covered by the warranty.

A warranty is just descriptive material *per se*. The same applies for claim language such as "A contract comprising...", and "An invoice produced by a computer, the invoice comprising..." The claimed invention taken as a whole does not produce a useful, concrete and tangible result.

# Examples of Non-Functional Descriptive Material



## Sample Claim 2

A data structure encoded on a computer readable medium comprising:

A first field having data of the age of a customer; a second field having data describing the products the customer buys; and a third field having a numeric value indicating the likelihood that the customer would buy similar products.

This is simply a data file – no functional change occurs when an application program uses the structural data. See *In re Lowery*.



# Data Structure - Definition

A data structure is a physical or logical relationship among data elements, designed to support specific data manipulation functions. See The New IEEE Standard Dictionary of Electrical and Electronics Terms 308 (5<sup>th</sup> Ed. 1993).



# Signals

IEEE has a plurality of definitions of a signal that include:

- A physical embodiment of a message
- A physical representation of data
- The physical representation which conveys data from one point to another

**\*Note that these definitions require a physical existence, however, physical existence does not equal physical structure**



# Signals

- Signals *per se* are not statutory subject matter.
- The combination of signals with statutory physical structure may be statutory subject matter if a useful, concrete and tangible result is produced. See Koo Patent, U.S. Patent Number: 5,568,202.



# Signals *per se*

- Have no tangible physical structure
  - ❖ a signal that is not tied to any physical structure for transmitting or receiving the signal
- Do not perform any useful, concrete and tangible result
- Do not constitute a tangible physical article or some form of matter
  - ❖ a signal that does not have any physical characteristics





# Signals

When a signal is coupled with or combined with a statutory physical structure to produce a useful, concrete and tangible result, the combination constitutes statutory subject matter.

# Signal Claims

Does PTO grant patents on signal claims?



## Koo patent

- *U.S. Patent Number:* 5,568,202
- *Title:* System for Echo Cancellation  
Comprising an Improved Ghost Cancellation  
Reference Signal
- *Inventor:* David Koo
- *Assignee:* North American Philips Corporation



# Koo Patent Claim

## Claim:

- An electronic reference signal in a system for minimizing the effects of ghosts occurring during the transmission and reception of a television signal over a communications path, wherein said reference signal is embodied in a processor readable memory, is non-cyclic, has a substantially flat frequency response within the bandwidth of said communications path and has a plurality of substantially uniform amplitude peaks over a time interval, and wherein a replica of said reference signal is transmitted as part of said television signal and is utilized by a decoder to derive coefficients which are used with at least one filter to remove said ghosts.



# Koo Patent (Continued)

## Prosecution History of Koo Patent

- Board of Patent Appeals and Interferences affirmed examiner's rejection of two-hump signal claims as being non-statutory under Section 101.
- Koo appealed to the Federal Circuit
- Case remanded to PTO to permit Koo to amend claims to incorporate signal in computer-readable memory



# Signal Example

## Claim 1

An assembly of transmitted signals wherein said signals carry encoded instructions to be read by a receiver; said assembly of signals arranged to be transmitted to a receiver.

## Claim Analysis

The claim calls for an assembly of signals *per se* and is nonstatutory. The scope of the claim only intends the signal to be transmitted to a receiver – there is no combination of the signal with statutory physical structure (the transmitter is not actually claimed)



# Signal Example

## Claim 2

A reference signal containing an arrangement of information; said reference signal is embodied in a processor readable memory.

## Claim Analysis

The example may be statutory if the signal is in combination with a physical statutory structure (the readable memory) and a useful, concrete and tangible result is provided. Claims to data structure (signals) stored in a memory are statutory subject matter because of the statutory nature of the memory. *In re Lowry*, 32USPQ2d 1031 (Fed. Cir. 1994).

# How Case Law has Changed

*In re Schrader*, 30 USPQ2d 1455  
(Fed. Cir. 1994)

## Case Summary in 1994 Decision

The claims in Schrader are directed to a method of competitively bidding on a plurality of related items, such as contiguous tracts of land. The CAFC concluded that the claims were properly rejected for lack of statutory subject matter under Section 101.

## The CAFC in *Schrader* Stated....

Their reasoning being that a mathematical algorithm was implicit in the claims which, even though it may not have implied any more than a step of summing, describes the solving of a mathematical problem and since the algorithm is not applied to or limited by physical elements or process steps, no physical change, effect or result occurred. Thus, this was insufficient to impart patentability. See *Schrader*.



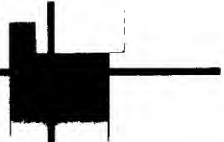
## Then State Street Came Along...

After the 1998 *State Street* decision, the CAFC in *AT&T v. Excel Communications*, 50 USPQ2d 1447, 1453 (Fed. Cir. 1999) took the opportunity to comment on the Court's prior decision in *Schrader*.



## The CAFC in AT&T Stated...

The Court in *Schrader* did not focus on "whether the mathematical algorithm claimed was applied in a practical manner since it ended its inquiry before determining whether a **useful, concrete and tangible** result ensued. Thus, in light of our recent understanding of the issue, the *Schrader* court's analysis is as unhelpful as...". See *AT&T v. Excel Communications*, 50 USPQ2d at 1453 (Fed. Cir. 1999).

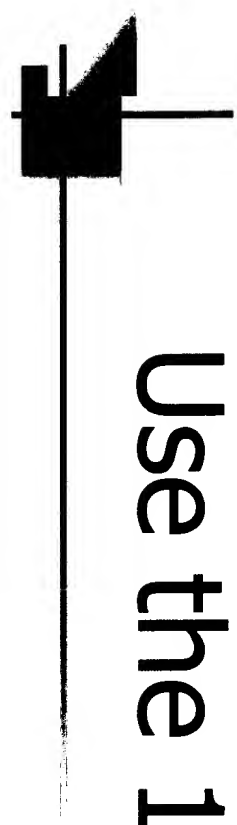


# Useful, Concrete and Tangible is the Test

## The Bottom Line:

Useful, concrete and tangible is the current test for satisfying the practical application requirements of Section 101 with respect to computer-implemented inventions.

# Use the 101 Help Panel



If you have any questions – ask the  
101 help panel!

